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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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Stewart Harris

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EXAMINER

HAVAN, THU THAO

ART UNIT

PAPER NUMBER

3691

MAIL DATE

DELIVERY MODE

05/03/2007

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

09/755,591

Applicant(s)

HARRIS ET AL.

Examiner

Thu Thao Havan

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 15 February 2007.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-4,9,10,12-15,20,21,24 and 27-56 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-4,9,10,12-15,20,21,24, and 27-56 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

Detailed Action

Response to Amendment

Claims 1-4, 9-10, 12-15, 20-21, 24, and 27-56 are pending. This action is in response to the RCE received February 15, 2007.

Response to Arguments

Applicant's arguments with respect to claims 1-4, 9-10, 12-15, 20-21, 24, and 27-56 have been considered but are moot in view of the new ground(s) of rejection.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims **1-4, 9-10, 12-15, 20-21, 24, and 27-56** are rejected under 35 U.S.C. 103(a) as being unpatentable over May (US 6,317,727) in view of Wiseman (US 5,168,446) and further in view of Stroh (US 7,155,409).

Re claims **1** and **12**, May teaches a method comprising:

accumulating values of trades by a counterparty in a trading market to obtain an accumulated position for the counterparty (1, line 65 to col. 2, line 5; col. 46, lines 14-29);

comparing the accumulated position for the counterparty with a trading limit assigned against the counterparty for the trading market (col. 2, lines 27-39; col. 47, lines

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39-50). *In other words, May discloses monitoring credit risks in electronic trading systems.*

He discloses a credit monitoring system that forms a complex check to determine if two particular counterparties will accept each other for a particular trade based upon their respective predefined credit preference. His system is a computer readable program code for evaluating the first and second credit preferences with respect to a trade of counterparties.

However, May does not explicitly teach for the counterparty an ability to trade in the trading market when the accumulated position for the counterparty exceeds the trading limit. On the other hand, Wiseman specifically discloses trading for the counterparty with all other counterparties with which the counterparty may trade when the accumulated position for the counterparty exceeds the trading limit when he discloses the system suspends trading (col. 17, line 65 to col. 18, line 42; figs. 7a-7b). Wiseman displays a system has the slate that permits the operator to change the active quadrant, or to suspend trading and alter the Trader's Profile or review completed transactions. He additionally discloses the counterparty then may enter bid and offer amounts corresponding to the prices at which he is willing to buy and sell the commodity. The counterparty can also enter an amount on which the quoted price is based, if the trader failed to do so, or the counterparty can change the amount that the trader transmitted with the quote request. The counterparty then transmits the quote to the trading party. Thus, it would have been obvious to one of ordinary skill in the art to enable trading for the counterparty when counterparty and other counterparties exceeds one trading limit due to credit limits to temporary suspend a trade as discloses in Wiseman.

Furthermore, May and Wiseman do not explicitly teach shutting off when the accumulated position for the counterparty exceeds the trading limit. On the other hand, Stroh specifically discloses shutting off when the accumulated position for the counterparty exceeds the trading limit it when he discloses the system denies customers' accounts (col. 4, line 64 to col. 6, line 15; figs. 4a-5). Stroh discloses the step of denying of counterparties by closing the credits. He additionally provides for removal of trade disputes from the payment cycle and agreement to use the pre-release payment draft of the invention for payment for the traded product. Thus, it would have been obvious to one of ordinary skill in the art to enable trading for multiple parties when other parties exceeds one trading limit due to credit limits being denied by closing the accounts as discloses in Stroh.

Re claims **2** and **13**, May teaches adjusting the accumulated position for the counterparty based upon at least one of: a trade that cleared and a trade that failed to clear (col. 2, lines 27-39; col. 3, lines 32-53; col. 46, lines 14-29).

Re claims **3** and **14**, May teaches accumulates the values of the trades by the counterparty based upon long-bond-equivalents (col. 17, lines 17-47; col. 18, lines 3-13; col. 19, line 59 to col. 20, line 18; col. 23, lines 1-26; col. 41, lines 1-28; col. 43, lines 15-42; col. 45, lines 39-45).

Re claims **4** and **15**, May teaches accumulates the values of the trades for the parent entity based upon long-bond-equivalents (col. 46, lines 14-43).

Re claims **9** and **20**, Wiseman teaches causing a message to be sent when trading for the counterparty has been suspended (col. 24, lines 5-66).

Re claims **10** and **21**, May teaches comparing the accumulated position for the counterparty with a trading warning level; and causing a message to be sent when the accumulated position for the counterparty exceeds the trading warning level (col. 46, lines 30-60).

Re claims **24** and **27-28**, Wiseman teaches suspending trading for the counterparty comprises disabling/shutting off an ability of the counterparty to trade (col. 25, line 50 to col. 26, line 45).

Re claims **29-56**, May and Wiseman teach a method as claimed in claims 1-4, 9-10, 12-15, 20-21, 24-25, and 27-28. Therefore the rationale applied in the rejection of claims 1-4, 9-10, 12-15, 20-21, 24-25, and 27-28 applies herein. Furthermore, May discloses a cash bonds, a gross position, and a net position when he discloses the exchange of bonds relating to a spread trade, the gross counterparty credit limit, and listed the net positions (figs. 5, 10, 20-21, and 23).

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Thu Thao Havan whose telephone number is (571) 272-8111. The examiner can normally be reached during flexitime schedule.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on (571) 272-6771. The fax phone number for the organization where this application or proceeding is assigned is (571) 273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct-uspto.gov/>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at (866) 217-9197 (toll-free).


Thu Thao Havan
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4/26/07